

**Introduced by Senator Correa**

February 18, 2011

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An act to amend Sections 52013 and 52020 of the Health and Safety Code, relating to housing.

**LEGISLATIVE COUNSEL'S DIGEST**

SB 722, as introduced, Correa. Home financing programs.

Existing law, for purposes of a home financing program, provides that a city or county has specified powers and duties and may administer a home financing program to acquire, contract, and enter into advance commitments to acquire home mortgages, as defined, made or owned by lending institutions at the purchase prices and upon other terms and conditions as determined by the city or county.

Existing law includes the refinancing of home mortgages in the criteria for establishing a maximum household income for the purposes of a city- or county-administered home financing program. Existing law would repeal these provisions on January 1, 2012.

This bill would revise the repeal dates so these provisions would be repealed on January 1, 2017.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 52013 of the Health and Safety Code, as
- 2 amended by Section 116 of Chapter 140 of the Statutes of 2009,
- 3 is amended to read:
- 4 52013. (a) "Home mortgage" or "mortgage" means an
- 5 interest-bearing loan made as provided in this part to a mortgagor,

whether originated in the manner provided in subdivision (a) or (b) of Section ~~52020~~ *that 52020, which* is either of the following:

(1) Evidenced by a promissory note and secured by a mortgage, deed of trust, or other security instrument on a home, and ~~that~~ *which* may be, but is not required to be, additionally secured by insurance on the payment of the ~~note~~ *note*, for the purposes of purchasing, constructing, or improving a home that meets any of the criteria described in paragraphs (1) to (3), inclusive, of subdivision (b).

(2) Evidenced by a promissory note and secured by a mortgage, deed of trust, or other security instrument on a home, and ~~that~~ *which* is federally insured, federally guaranteed, or eligible to be purchased by the Federal National Mortgage Association or the Federal Home Loan and Mortgage ~~Corporation~~ *Corporation*, for the purposes of refinancing a home that meets the criteria described in paragraph (3) of subdivision (b).

(b) The following criteria apply for the purposes of subdivision (a):

(1) Is newly constructed or is being rehabilitated and that, in either case, is located within an area or neighborhood in which the city or county is conducting a housing rehabilitation or code enforcement ~~program, program;~~ a neighborhood preservation area or concentrated rehabilitation area designated pursuant to this ~~division, division;~~ an area for which federal funds are being made ~~available, available;~~ or a residential rehabilitation area as defined in Section 37912. However, a loan may be made for the purchase of a newly constructed home anywhere within the city or county if the purchase is in connection with a program adopted by ordinance of the city or county the purpose of which is to increase the housing supply.

(2) Is a home upon which no rehabilitation is being undertaken in connection with any financing pursuant to this part, where the purchaser will not be the first occupant and that is located within the city or county making or purchasing the home mortgage.

(3) Is an existing home within the city or county making or purchasing the home mortgage and the owner is, and will be, the occupant of the house.

(c) This section shall remain in effect only until January 1, ~~2012~~ *2017*, and as of that date is repealed, unless a later enacted statute,

1 that is enacted before January 1, ~~2012~~ 2017, deletes or extends  
2 that date.

3 SEC. 2. Section 52013 of the Health and Safety Code, as  
4 amended by Section 117 of Chapter 140 of the Statutes of 2009,  
5 is amended to read:

6 52013. (a) “Home mortgage” or “mortgage” means an  
7 interest-bearing loan made as provided in this part to a mortgagor,  
8 whether originated in the manner provided in subdivision (a) or  
9 (b) of Section 52020 that is evidenced by a promissory note and  
10 secured by a mortgage, deed of trust, or other security instrument  
11 on a home, and ~~that which~~ may *be*, but is not required to ~~be~~ *be*,  
12 additionally secured by insurance on the payment of the ~~note~~ *note*,  
13 for the ~~purpose~~ *purposes* of purchasing, constructing, or improving  
14 a home that meets ~~either any of the following criteria:~~ *criteria*  
15 *described in paragraphs (1) to (3), inclusive, of subdivision (b).*

16 (b) *The following criteria apply for the purposes of subdivision*  
17 *(a):*

18 (1) Is newly constructed or is being rehabilitated and that, in  
19 either case, is located within an area or neighborhood in which the  
20 city or county is conducting a housing rehabilitation or code  
21 enforcement ~~program,~~ *program*; a neighborhood preservation area  
22 or concentrated rehabilitation area designated pursuant to this  
23 ~~division,~~ *division*; an area for which federal funds are being made  
24 ~~available,~~ *available*; or a residential rehabilitation area as defined  
25 in Section 37912. However, a loan may be made for the purchase  
26 of a newly constructed home anywhere within the city or county  
27 if the purchase is in connection with a program adopted by  
28 ordinance of the city or county the purpose of which is to increase  
29 the housing supply.

30 (2) Is a home upon which no rehabilitation is being undertaken  
31 in connection with any financing pursuant to this part, where the  
32 purchaser will not be the first ~~occupant,~~ *occupant* and that is located  
33 within the city or county making or purchasing the home mortgage.

34 (b) A “home mortgage” or “mortgage” shall not include a loan  
35 to a mortgagor for the purpose of refinancing an existing obligation  
36 of the mortgagor, unless substantial rehabilitation is to be  
37 undertaken in connection with the loan.

38 (c) This section shall become operative January 1, ~~2012~~ 2017.

1 SEC. 3. Section 52020 of the Health and Safety Code, as  
2 amended by Section 3 of Chapter 283 of the Statutes of 2008, is  
3 amended to read:

4 52020. (a) For purposes of a home financing program  
5 authorized by this part, a city or county has the following powers  
6 and duties:

7 (1) To acquire, contract, and enter into advance commitments  
8 to acquire home mortgages made or owned by lending institutions  
9 at the purchase prices and upon the other terms and conditions as  
10 shall be determined by the city or county or other person as it may  
11 designate as its agent, to make and execute contracts with lending  
12 institutions for the origination and servicing of home mortgages,  
13 and to pay the reasonable value of services rendered under those  
14 contracts. Prior to executing any contract with a lending institution,  
15 a city or county shall adopt regulations establishing criteria for  
16 qualification of lending institutions eligible to originate and service  
17 home mortgages under home financing programs authorized by  
18 this part and shall, with respect to each home financing program,  
19 permit each qualified lending institution that transacts business in  
20 the city or county the opportunity to participate in the program on  
21 an equitable basis with other participating lending institutions.  
22 Two or more cities in the same county, a county and one or more  
23 cities within the county, or two or more adjacent counties and any  
24 number of cities within those counties may enter into an agreement  
25 to join or cooperate with one another in the exercise jointly, or  
26 otherwise, of any or all of their powers for the purpose of financing  
27 home mortgages pursuant to this part with respect to property  
28 within the boundaries of any one or more of the entities.

29 (2) To make loans to lending institutions under terms and  
30 conditions that, in addition to other provisions as determined by  
31 the city or county, require the lending institutions to use all of the  
32 net proceeds thereof, directly or indirectly, for the making of home  
33 mortgages in an aggregate principal amount equal to the amount  
34 of the net proceeds.

35 (3) To establish, by rules or regulations, in resolutions relating  
36 to any issuance of bonds, or in any documents relating to the  
37 issuance, standards and requirements applicable to the purchase  
38 of home mortgages or the making of loans to lending institutions  
39 as the city or county deems necessary or desirable to effectuate

1 the purposes of this part, which may include without limitation  
2 any of the following:

3 (A) The time within which lending institutions are required to  
4 make commitments and disbursements for home mortgages.

5 (B) The location and other characteristics of homes to be  
6 financed by home mortgages.

7 (C) The terms and conditions of home mortgages to be acquired.

8 (D) The amounts and types of any insurance coverage required  
9 on homes, home mortgages, and bonds.

10 (E) The representations and warranties of lending institutions  
11 confirming compliance with the standards and requirements.

12 (F) Restrictions as to interest rate and other terms of home  
13 mortgages or the return realized therefrom by lending institutions.

14 (G) The type and amount of collateral security to be provided  
15 to assure repayment of any loans from the city or county and to  
16 assure repayment of bonds.

17 (H) Any other matters related to the purchase of home mortgages  
18 or the making of loans to lending institutions as deemed relevant  
19 by the city or county.

20 (4) To require from each lending institution from which home  
21 mortgages are purchased or to which loans are made the submission  
22 of evidence satisfactory to the city or county of the ability and  
23 intention of the lending institution to make home mortgages, and  
24 the submission, within the time specified by the city or county for  
25 making disbursements for home mortgages, of evidence satisfactory  
26 to the city or county of the making of home mortgages and of  
27 compliance with any standards and requirements established by  
28 it.

29 (b) Each city or county that finances housing pursuant to this  
30 part shall designate a person or entity to administer the program.

31 (c) Each city or county that finances housing pursuant to this  
32 part shall adopt regulations establishing criteria for qualification  
33 of persons and families, which may differ among different cities  
34 or counties to reflect varying economic and housing conditions.  
35 In developing these criteria, factors similar to the following shall  
36 be taken into consideration:

37 (1) The amount of the income of the person or family that is  
38 available for housing needs.

39 (2) The size of the household.

40 (3) The costs and condition of available housing.

1 (4) The eligibility of the persons or families for federal housing  
2 assistance of any type.

3 (d) (1) Criteria for qualification of persons and families pursuant  
4 to this section shall include a maximum household income, which  
5 maximum shall not exceed the following:

6 (A) One hundred twenty percent of the median household  
7 income for mortgages made for improving a home, for refinancing  
8 a home, or for homes where the purchaser will be the first occupant.  
9 Upon the resale of a home for which financing was originally  
10 provided under this paragraph, the maximum income of persons  
11 and families also shall be 120 percent of the median household  
12 income.

13 (B) One hundred twenty percent of the median household  
14 income for mortgages where the purchaser will not be the first  
15 occupant. However, the city or county shall ensure that no less  
16 than 50 percent of the funds allocated for home mortgages where  
17 the purchaser will not be the first occupant shall be for households  
18 whose income does not exceed 80 percent of that median household  
19 income. However, the legislative body of the city or county may,  
20 by resolution, increase this income limitation to 90 percent of  
21 median household income if the legislative body finds that there  
22 are insufficient numbers of creditworthy persons whose income  
23 does not exceed 80 percent of median household income. The  
24 resolution is final and conclusive as to the findings required by  
25 this paragraph.

26 (C) One hundred fifty percent of the median household income  
27 for mortgages made for improving a home, for refinancing a home,  
28 or for homes where the purchaser will be the first occupant in any  
29 city, the entire area of which, or in any county in which a portion  
30 of the county, is designated by the United States Department of  
31 Commerce, Economic Development Administration as a special  
32 impact area within a Title IV redevelopment area, pursuant to  
33 Section 401 of the federal Public Works and Economic  
34 Development Act of 1965, as amended, and that is eligible for  
35 Urban Development Action Grant funds under the current distress  
36 standards established for cities and counties by the Secretary of  
37 the United States Department of Housing and Urban Development  
38 pursuant to Section 119 of the Housing and Community  
39 Development Act of 1974, if the homes purchased, refinanced, or  
40 improved are situated within the boundaries of a special impact

1 area as defined by the Economic Development Administration,  
2 and that designation is in effect on the date of sale of revenue bonds  
3 issued under this part.

4 (2) As used in this subdivision, “median household income”  
5 means the highest of (A) statewide median household income, (B)  
6 countywide median household income, or (C) median family  
7 income for an area, as determined by the United States Department  
8 of Housing and Urban Development, with respect to either a  
9 standard metropolitan statistical area or an area outside of a  
10 standard metropolitan statistical area.

11 (e) (1) Subdivision (d) shall not apply with respect to home  
12 finance programs funded with amounts made available by the  
13 issuance of revenue bonds that, for federal tax law purposes, are  
14 bonds refunding qualified mortgage bonds issued before January  
15 1, 1987, and that satisfy the requirements of subdivision (a) of  
16 Section 1313 of the federal Tax Reform Act of 1986. With respect  
17 to these programs, the maximum household income for  
18 qualification of persons and families pursuant to this section shall  
19 be the following:

20 (A) One hundred fifty percent of the median household income  
21 for mortgages made for improving a home or for homes where the  
22 purchaser will be the first occupant. Upon the resale of a home for  
23 which financing was originally provided under this paragraph, the  
24 maximum income of persons and families also shall be 150 percent  
25 of the median household income. For purposes of this paragraph,  
26 a mortgage made for improving a home includes a home  
27 improvement loan as defined in Section 143 of Title 26 of the  
28 United States Code.

29 (B) One hundred twenty percent of the median household  
30 income where the purchaser will not be the first occupant.  
31 However, the city or county shall ensure that no less than 20  
32 percent of the funds allocated for home mortgages where the  
33 purchaser will not be the first occupant shall be for households  
34 whose income does not exceed 110 percent of that median  
35 household income. However, the legislative body of the city or  
36 county may, by resolution, increase this income limitation to 120  
37 percent of the median household income if the legislative body  
38 finds that there are insufficient numbers of creditworthy persons  
39 whose income does not exceed 110 percent of the median  
40 household income. The resolution is final and conclusive as to the

1 findings required by this paragraph. However, the finding shall  
2 not be made by the legislative body before six months from the  
3 date mortgages were first made under the program and only if  
4 participating lenders have entered into an agreement with the city,  
5 county, or city and county that lenders will advertise at least  
6 monthly the availability of funds and will forfeit one-quarter of  
7 their origination fees if they are unable to use 20 percent of the  
8 funds to make mortgages to households whose income does not  
9 exceed 110 percent of the median income.

10 (C) One hundred fifty percent of the median household income  
11 for mortgages made for improving a home or for homes where the  
12 purchaser will be the first occupant in any city, the entire area of  
13 which, or in any county in which a portion of the county, is  
14 designated by the United States Department of Commerce,  
15 Economic Development Administration as a special impact area  
16 within a Title IV redevelopment area, pursuant to Section 401 of  
17 the federal Public Works and Economic Development Act of 1965,  
18 as amended, and that is eligible for Urban Development Action  
19 Grant funds under the current distress standards established for  
20 cities and counties by the Secretary of the United States Department  
21 of Housing and Urban Development pursuant to Section 119 of  
22 the Housing and Community Development Act of 1974, if the  
23 homes purchased or improved are situated within the boundaries  
24 of a special impact area as defined by the Economic Development  
25 Administration, and that designation is in effect on the date of sale  
26 of revenue bonds issued under this part.

27 (2) As used in this subdivision, “median household income”  
28 means the highest of (A) statewide median household income, (B)  
29 countywide median household income, or (C) median family  
30 income for an area, as determined by the United States Department  
31 of Housing and Urban Development, with respect to either a  
32 standard metropolitan statistical area or an area outside of a  
33 standard metropolitan statistical area.

34 (f) Each city or county that finances housing pursuant to this  
35 part shall require each mortgagor under the program to certify his  
36 or her intention to occupy the home for a minimum of two years  
37 after receiving a home mortgage, with appropriate exceptions in  
38 hardship cases determined by the city or county.



1 (g) Each city and county may do any and all things necessary  
2 to carry out the purposes and exercise the powers expressly granted  
3 by this part.

4 (h) This section shall remain in effect only until January 1, ~~2012~~  
5 2017, and as of that date is repealed, unless a later enacted statute,  
6 that is enacted before January 1, ~~2012~~ 2017, deletes or extends  
7 that date.

8 SEC. 4. Section 52020 of the Health and Safety Code, as added  
9 by Section 4 or Chapter 283 of the Statutes of 2008, is amended  
10 to read:

11 52020. (a) For purposes of a home financing program  
12 authorized by this part, a city or county has the following powers  
13 and duties:

14 (1) To acquire, contract, and enter into advance commitments  
15 to acquire home mortgages made or owned by lending institutions  
16 at the purchase prices and upon the other terms and conditions as  
17 shall be determined by the city or county or other person as it may  
18 designate as its agent, to make and execute contracts with lending  
19 institutions for the origination and servicing of home mortgages,  
20 and to pay the reasonable value of services rendered under those  
21 contracts. Prior to executing any contract with a lending institution,  
22 a city or county shall adopt regulations establishing criteria for  
23 qualification of lending institutions eligible to originate and service  
24 home mortgages under home financing programs authorized by  
25 this part and shall, with respect to each home financing program,  
26 permit each qualified lending institution that transacts business in  
27 the city or county the opportunity to participate in the program on  
28 an equitable basis with other participating lending institutions.  
29 Two or more cities in the same county, a county and one or more  
30 cities within the county, or two or more adjacent counties and any  
31 number of cities within those counties may enter into an agreement  
32 to join or cooperate with one another in the exercise jointly, or  
33 otherwise, of any or all of their powers for the purpose of financing  
34 home mortgages pursuant to this part with respect to property  
35 within the boundaries of any one or more of the entities.

36 (2) To make loans to lending institutions under terms and  
37 conditions that, in addition to other provisions as determined by  
38 the city or county, require the lending institutions to use all of the  
39 net proceeds thereof, directly or indirectly, for the making of home

1 mortgages in an aggregate principal amount equal to the amount  
2 of the net proceeds.

3 (3) To establish, by rules or regulations, in resolutions relating  
4 to any issuance of bonds, or in any documents relating to the  
5 issuance, standards and requirements applicable to the purchase  
6 of home mortgages or the making of loans to lending institutions  
7 as the city or county deems necessary or desirable to effectuate  
8 the purposes of this part, which may include without limitation  
9 any of the following:

10 (A) The time within which lending institutions are required to  
11 make commitments and disbursements for home mortgages.

12 (B) The location and other characteristics of homes to be  
13 financed by home mortgages.

14 (C) The terms and conditions of home mortgages to be acquired.

15 (D) The amounts and types of any insurance coverage required  
16 on homes, home mortgages, and bonds.

17 (E) The representations and warranties of lending institutions  
18 confirming compliance with the standards and requirements.

19 (F) Restrictions as to interest rate and other terms of home  
20 mortgages or the return realized therefrom by lending institutions.

21 (G) The type and amount of collateral security to be provided  
22 to assure repayment of any loans from the city or county and to  
23 assure repayment of bonds.

24 (H) Any other matters related to the purchase of home mortgages  
25 or the making of loans to lending institutions as deemed relevant  
26 by the city or county.

27 (4) To require from each lending institution from which home  
28 mortgages are purchased or to which loans are made the submission  
29 of evidence satisfactory to the city or county of the ability and  
30 intention of the lending institution to make home mortgages, and  
31 the submission, within the time specified by the city or county for  
32 making disbursements for home mortgages, of evidence satisfactory  
33 to the city or county of the making of home mortgages and of  
34 compliance with any standards and requirements established by  
35 it.

36 (b) Each city or county that finances housing pursuant to this  
37 part shall designate a person or entity to administer the program.

38 (c) Each city or county that finances housing pursuant to this  
39 part shall adopt regulations establishing criteria for qualification  
40 of persons and families, which may differ among different cities

1 or counties to reflect varying economic and housing conditions.  
2 In developing these criteria, factors similar to the following shall  
3 be taken into consideration:

4 (1) The amount of the income of the person or family that is  
5 available for housing needs.

6 (2) The size of the household.

7 (3) The costs and condition of available housing.

8 (4) The eligibility of the persons or families for federal housing  
9 assistance of any type.

10 (d) (1) Criteria for qualification of persons and families pursuant  
11 to this section shall include a maximum household income, which  
12 maximum shall not exceed the following:

13 (A) One hundred twenty percent of the median household  
14 income for mortgages made for improving a home or for homes  
15 where the purchaser will be the first occupant. Upon the resale of  
16 a home for which financing was originally provided under this  
17 paragraph, the maximum income of persons and families also shall  
18 be 120 percent of the median household income.

19 (B) One hundred twenty percent of the median household  
20 income for mortgages where the purchaser will not be the first  
21 occupant. However, the city or county shall ensure that no less  
22 than 50 percent of the funds allocated for home mortgages where  
23 the purchaser will not be the first occupant shall be for households  
24 whose income does not exceed 80 percent of that median household  
25 income. However, the legislative body of the city or county may,  
26 by resolution, increase this income limitation to 90 percent of  
27 median household income if the legislative body finds that there  
28 are insufficient numbers of creditworthy persons whose income  
29 does not exceed 80 percent of median household income. The  
30 resolution is final and conclusive as to the findings required by  
31 this paragraph.

32 (C) One hundred fifty percent of the median household income  
33 for mortgages made for improving a home or for homes where the  
34 purchaser will be the first occupant in any city, the entire area of  
35 which, or in any county in which a portion of the county, is  
36 designated by the United States Department of Commerce,  
37 Economic Development Administration as a special impact area  
38 within a Title IV redevelopment area, pursuant to Section 401 of  
39 the federal Public Works and Economic Development Act of 1965,  
40 as amended, and that is eligible for Urban Development Action

1 Grant funds under the current distress standards established for  
2 cities and counties by the Secretary of the United States Department  
3 of Housing and Urban Development pursuant to Section 119 of  
4 the Housing and Community Development Act of 1974, if the  
5 homes purchased or improved are situated within the boundaries  
6 of a special impact area as defined by the Economic Development  
7 Administration, and that designation is in effect on the date of sale  
8 of revenue bonds issued under this part.

9 (2) As used in this subdivision, “median household income”  
10 means the highest of (A) statewide median household income, (B)  
11 countywide median household income, or (C) median family  
12 income for an area, as determined by the United States Department  
13 of Housing and Urban Development, with respect to either a  
14 standard metropolitan statistical area or an area outside of a  
15 standard metropolitan statistical area.

16 (e) (1) Subdivision (d) shall not apply with respect to home  
17 finance programs funded with amounts made available by the  
18 issuance of revenue bonds that, for federal tax law purposes, are  
19 bonds refunding qualified mortgage bonds issued before January  
20 1, 1987, and that satisfy the requirements of subdivision (a) of  
21 Section 1313 of the federal Tax Reform Act of 1986. With respect  
22 to these programs, the maximum household income for  
23 qualification of persons and families pursuant to this section shall  
24 be the following:

25 (A) One hundred fifty percent of the median household income  
26 for mortgages made for improving a home or for homes where the  
27 purchaser will be the first occupant. Upon the resale of a home for  
28 which financing was originally provided under this paragraph, the  
29 maximum income of persons and families also shall be 150 percent  
30 of the median household income. For purposes of this paragraph,  
31 a mortgage made for improving a home includes a home  
32 improvement loan as defined in Section 143 of Title 26 of the  
33 United States Code.

34 (B) One hundred twenty percent of the median household  
35 income where the purchaser will not be the first occupant.  
36 However, the city or county shall ensure that no less than 20  
37 percent of the funds allocated for home mortgages where the  
38 purchaser will not be the first occupant shall be for households  
39 whose income does not exceed 110 percent of that median  
40 household income. However, the legislative body of the city or

1 county may, by resolution, increase this income limitation to 120  
2 percent of the median household income if the legislative body  
3 finds that there are insufficient numbers of creditworthy persons  
4 whose income does not exceed 110 percent of the median  
5 household income. The resolution is final and conclusive as to the  
6 findings required by this paragraph. However, the finding shall  
7 not be made by the legislative body before six months from the  
8 date mortgages were first made under the program and only if  
9 participating lenders have entered into an agreement with the city,  
10 county, or city and county that lenders will advertise at least  
11 monthly the availability of funds and will forfeit one-quarter of  
12 their origination fees if they are unable to use 20 percent of the  
13 funds to make mortgages to households whose income does not  
14 exceed 110 percent of the median income.

15 (C) One hundred fifty percent of the median household income  
16 for mortgages made for improving a home or for homes where the  
17 purchaser will be the first occupant in any city, the entire area of  
18 which, or in any county in which a portion of the county, is  
19 designated by the United States Department of Commerce,  
20 Economic Development Administration as a special impact area  
21 within a Title IV redevelopment area, pursuant to Section 401 of  
22 the federal Public Works and Economic Development Act of 1965,  
23 as amended, and that is eligible for Urban Development Action  
24 Grant funds under the current distress standards established for  
25 cities and counties by the Secretary of the United States Department  
26 of Housing and Urban Development pursuant to Section 119 of  
27 the Housing and Community Development Act of 1974, if the  
28 homes purchased or improved are situated within the boundaries  
29 of a special impact area as defined by the Economic Development  
30 Administration, and that designation is in effect on the date of sale  
31 of revenue bonds issued under this part.

32 (2) As used in this subdivision, “median household income”  
33 means the highest of (A) statewide median household income, (B)  
34 countywide median household income, or (C) median family  
35 income for an area, as determined by the United States Department  
36 of Housing and Urban Development, with respect to either a  
37 standard metropolitan statistical area or an area outside of a  
38 standard metropolitan statistical area.

39 (f) Each city or county that finances housing pursuant to this  
40 part shall require each mortgagor under the program to certify his

1 or her intention to occupy the home for a minimum of two years  
2 after receiving a home mortgage, with appropriate exceptions in  
3 hardship cases determined by the city or county.

4 (g) Each city and county may do any and all things necessary  
5 to carry out the purposes and exercise the powers expressly granted  
6 by this part.

7 (h) This section shall become operative January 1, ~~2012~~ 2017.